



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2017 Biennium

Bill #	SB0057	Title:	Revise water adjudication funding and benchmarks
Primary Sponsor:	Vincent, Chas	Status:	As Introduced

- | | | |
|--|--|--|
| <input type="checkbox"/> Significant Local Gov Impact | <input type="checkbox"/> Needs to be included in HB 2 | <input checked="" type="checkbox"/> Technical Concerns |
| <input checked="" type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

FISCAL SUMMARY

	<u>FY 2016 Difference</u>	<u>FY 2017 Difference</u>	<u>FY 2018 Difference</u>	<u>FY 2019 Difference</u>
Expenditures:				
General Fund	\$3,368,051	\$3,374,564	\$3,425,182	\$3,476,560
Revenue:				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	\$3,368,051	\$3,374,564	\$3,425,182	\$3,476,560
Net Impact-General Fund Balance:	<u>(\$3,368,051)</u>	<u>(\$3,374,564)</u>	<u>(\$3,425,182)</u>	<u>(\$3,476,560)</u>

Description of fiscal impact: SB 57 revises water adjudication funding, benchmarks and reporting. Beginning in FY 2016, the amount appropriated by the legislature in the general appropriation act and any act implementing pay increases for state employees shall be transferred from the state general fund to the water adjudication account. This transfer expires in FY 2028.

FISCAL ANALYSIS

Assumptions:

- Expenditures from the water adjudication account are contained each biennium in HB 2 and are included for FY 2016 and FY 2017 in the Executive Budget.
- Transfers would be made each fiscal year from the general fund to the water adjudication account based upon the appropriations in HB 2 (the general appropriations act) and HB 13 (state employee pay plan).
- Transfer amounts shown in this fiscal note reflect the amounts in the Executive Budget.
- Expenditures and funding are inflated by 1.5% per year in FY 2018 and FY 2019.

	<u>FY 2016 Difference</u>	<u>FY 2017 Difference</u>	<u>FY 2018 Difference</u>	<u>FY 2019 Difference</u>
<u>Fiscal Impact:</u>				
<u>Expenditures:</u>				
Transfers	\$3,368,051	\$3,374,564	\$3,425,182	\$3,476,560
TOTAL Expenditures	<u>\$3,368,051</u>	<u>\$3,374,564</u>	<u>\$3,425,182</u>	<u>\$3,476,560</u>
<u>Funding of Expenditures:</u>				
General Fund (01)	\$3,368,051	\$3,374,564	\$3,425,182	\$3,476,560
State Special Revenue (02)	\$0	\$0	\$0	\$0
TOTAL Funding of Exp.	<u>\$3,368,051</u>	<u>\$3,374,564</u>	<u>\$3,425,182</u>	<u>\$3,476,560</u>
<u>Revenues:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	\$3,368,051	\$3,374,564	\$3,425,182	\$3,476,560
TOTAL Revenues	<u>\$3,368,051</u>	<u>\$3,374,564</u>	<u>\$3,425,182</u>	<u>\$3,476,560</u>
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	(\$3,368,051)	(\$3,374,564)	(\$3,425,182)	(\$3,476,560)
State Special Revenue (02)	\$3,368,051	\$3,374,564	\$3,425,182	\$3,476,560

Technical Notes:

- Section 6(2) reads: "On July 1 of each fiscal year, the state treasurer shall transfer the amount appropriated by the legislature in the general appropriation act and any act implementing pay increases for state employees, including but not limited to the state employee pay plan act, from the state general fund to the water adjudication account for the sole purpose of funding the water adjudication program". SB 57 currently has an effective date of July 1, 2015. As a result, the transfer on July 1, 2015 (FY 2016) would be \$3,403,074. However, the water adjudication fund will still have a fund balance remaining in the account from FY 2015. Currently, this fund balance is projected to be approximately \$2.5 million. There could also be funds remaining in future years if the full balance of appropriations is not spent. The transfer of the full appropriated amount would actually result in a fund balance in excess of the requested appropriation.

Sponsor's Initials

Date

Budget Director's Initials

Date